



501 HIGH STREET, 2ND FLOOR
FRANKFORT, KENTUCKY 40601

DEI MEMO 19-12

TO: ICs and HRGs

FROM: Department of Employee Insurance

RE: Continuation of Life Insurance During LWOP

DATE: October 25, 2019

During approved leave without pay, an employee may continue to keep the state sponsored life insurance benefit active for a period not to exceed 12 months. The state sponsored life insurance is offered by the Commonwealth of Kentucky Personnel Cabinet through Nationwide Insurance Company.

The employee may continue to keep the basic life insurance policy and any optional life insurance active by paying the premium during the leave-without-pay status. The monthly payment would be \$1.00 for the \$20,000 employee basic policy plus the premium for any optional life insurance the employee may have elected. The payment can be made directly to the employer or to the Department of Employee Insurance (DEI). Checks sent to DEI should be made payable to the Kentucky State Treasurer. DEI will not send a bill to the employee. It is the employee's responsibility to make sure the premium payments are made in a timely manner, by the first of each month. For example, the premium for January should be made no later than January 1.

If an employee fails to pay the premium for three (3) months, the coverage may be terminated without notice. If the coverage is terminated due to non-payment, only the basic \$20,000 employer-provided life insurance will be reinstated upon return to regular employment.

When an employee goes on leave-without-pay status, it is the employer's responsibility to notify the employee of the continuation rights for life insurance. The attached template can be used to provide written notification to the employee. A copy should be kept in the employee's personnel file. This template can also be found on the optional insurance website at personnel.ky.gov/Pages/LifeInsurance.aspx.